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USDOC FOR 532/OEA/NICKSON-DORSEY/GAINES
USDOC FOR 3131/USFCS/OIO/ANESA/KREISSL
USDOC FOR 4530/MAC/ANESA/OSA
ICE HQ FOR STRATEGIC INVESTIGATIONS
STATE FOR EB/ESP

E.O. 12958: N/A

TAGS: [BEXP](#) [ETRD](#) [ETTC](#) [IN](#)

SUBJECT: EXTRANCHECK: POST-SHIPMENT VERIFICATION: BHARAT DYNAMICS
LIMITED, HYDERABAD, INDIA

REF: USDOC 00697

USDOC 00700

USDOC 00702

¶1. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.

¶2. On February 4, 2009, Export Control Officer (ECO) Paul Cushman and FSN Shailendra Srivastava conducted a Post-Shipment Verification (PSV) at Bharat Dynamics Limited (BDL).

¶3. BIS requested a PSV at BDL, located at Kanchanbagh in Hyderabad. BDL was listed as the ultimate consignee for 22 static converters and 1,389 transistors supplied by IC Advantage Inc. of Andover, Massachusetts.

¶4. ECO and FSN Srivastava met with Mr. P. Srinivasa Rao, Executive Director, Mr. P. Ramesh, Additional General Manager, Mr. Narasimha Rao, Additional General Manager, and Mr. Vinod Kumar, Project Manager, in the BDL conference room. Mr. Randhir Jaiswal, Deputy Secretary, Ministry of External Affairs, arranged and was present at the meeting.

¶5. BDL representatives were familiar with BIS regulations. However, this was the first visit by BIS officials to their facility. Kumar provided copies of the following documents relating to these transactions: BDL Purchase Orders, IC Advantage Invoices, Air Waybills, and BDL End-Use Statements. The BIS license conditions were printed on the invoices. Kumar acknowledged that he understood, had complied with, and would continue to comply with the license conditions.

¶6. Kumar confirmed the stated end-uses. He explained that the static converters are used in high speed data communication equipment manufactured by BDL for the Indian military. The transistors are used in test equipment for chaff and flare dispenser systems installed on military aircraft.

¶7. The static converters were presented for inspection. There were ten model 1505S24 units and ten model 2115D24X units. Kumar stated that an additional unit of each model was currently in use by the production department.

¶8. The transistors were then presented for inspection. Kumar stated that 180 transistors have been installed in test equipment that is ready to ship, 326 units were installed in test equipment already delivered to the Indian military, 389 units are with the production department, and the remaining 494 units are being held as inventory.

¶9. Established in 1970 under the Ministry of Defence, Bharat Dynamics Limited is a state-of-art facility that designs and

manufactures equipment, weapon systems and guided missiles for the Indian military. BDL has approximately 2,000 employees. Round-the-clock security is provided by GOI's Central Industrial Security Force.

¶10. Recommendation: At the time of this visit, Bharat Dynamics Limited appeared to be a reliable recipient of these controlled technologies. The items on check were verified and were being used in a manner consistent with the Export Administration Regulations.
MULFORD